



# Housing Authority of the City of Alameda

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## MINUTES

### REGULAR MEETING OF THE HOUSING COMMISSION OF THE CITY OF ALAMEDA WEDNESDAY, AUGUST 17, 2011

The Commission was called to order at 7:01 p.m. by Chair Kurrasch.

#### PLEDGE OF ALLEGIANCE

#### 1. ROLL CALL

Present: Commissioners Smith, Pratt, Lofstrom-Perez, Jones and Chair Kurrasch

Absent: Commissioner Allen and Rickard

#### 2. CONSENT CALENDAR

Commissioner Pratt moved acceptance of the Consent Calendar. Commissioner Jones seconded. Motion carried unanimously. All items accepted or adopted are indicated with an asterisk.

- \*2-A. Minutes of the Housing Commission Regular Meeting held July 20, 2011. Staff recommends acceptance.
- \*2-B. Quarterly Investment Report.
- \*2-C. Resolution to Reject Capital Fund Replacement Housing Factor Grant No. CA39R0625011. It is recommended that the Housing Commission accept the report to Adopt Resolution to Reject Capital Fund Replacement Housing Factor Grant No. CA39R0625011.
- \*2-D. Amendment 2011-04 to Housing Choice Voucher Program (HCVP) Administrative Plan for implementing an energy-efficient utility allowance schedule for specific low-income housing tax credit properties.

#### 3. AGENDA

- 3-A. Quarterly and Annual Police Report: Mr. Pucci stated that the Annual Police Report and Narrative shows very little activity in the last quarter compared to previous quarters. He is happy to report that crime is down. The second quarter crime report



shows a total of seven crimes reported at Esperanza. Four arrests were made in the quarter, three at Esperanza and one at Parrot Village. Compared to previous quarters, crime reports ranged from 10- 20 reports, we are down to seven. Of the arrest made, we don't know if they involved outsiders or involved our residents. One marijuana citation was issued at Esperanza and that person did not live there Officer Santamaria-Mrak stated that the one marijuana citation issued is equivalent to a traffic violation. Officer Santamaria-Mrak agreed that the reduced number of crimes reported is unusual.

Chair stated that this report is for information only.

- 3-B. Resolution to Approve the Section 8 Management Assessment Program (SEMAP) Certification to ~~FY2009-2010~~ (date correction) FY2010-2011. Staff recommends the Housing Commission approve the certification requiring the Chair's signature, by adopting the attached resolution authorizing the Executive Director to submit the Certification, Resolution and supporting documents to HUD.

Mr. Pucci explained that this annual Management Assessment Program is how HUD rates us and our administrative abilities for the Section 8 Program. Leslie Gleason gave a presentation about the score we received and how we are scored. Leslie Gleason stated that we are receiving maximum points in all but two of the indicators. Adjusted income is one indicator where we lost points and we also lost points in this area last year. We lost five of the 20 points because we had a certain error rate. It has been a complicated year. We are changing things around this year, e.g., utility and payment standards, and this has led to some errors. The other indicator where we lost points is the deconcentration indicator. Up to now this has been a bonus indicator for us. We lost the five available points because two fiscal years ago we implemented the success rate payment standard and it becomes obligatory to report on that now. That de-concentration bonus indicator looks at where all the families in the program with children reside in Alameda. To get the five points at least 50% of families with children need to be in low poverty census tracts. Our score was 41.2%. We can't claim those points. It depends on where people move to in Alameda with their new vouchers. We are still at 93% which puts us in the high performer category. All of our data is subject to review by HUD. Based on our self assessment information we are good to go for this year.

Commissioner Pratt moved to accept the SEMAP Certification and authorize the Executive Director to submit the Certification, Resolution and supporting documents to HUD. Commissioner Lofstrom-Perez seconded the motion.

- 3-C. Award Flooring Contract to Bay Area Contract Carpets, in the amount not to exceed \$200,000 and Authorize Executive Director to Execute the Contract with an option to renew for two additional fiscal years.



Mr. Pucci stated that earlier this year the Housing Commission and Board of Commissioners approved our budget which included \$200,000 annually for replacement of floor coverings in our units. On July 15, 2011 we issued a request for proposal. On August 3, 2011 we received two bids. One from Bay Area Contract Carpets and one from Eastbay Floor Covering. We asked for a proposal for three years at \$200,000 annually, broken down by bedroom size. Bids came in very close, but after analysis, we found that Bay Area Contract Carpets came in lowest because they put in a three percent adjustment and East Bay Floor Covering put in a five percent adjustment. This includes carpet and vinyl. Most of the monies are spent on vacancies.

Commissioner Pratt stated that it is probably hard to predict how this is weighted in terms of how many studios, how many one bedrooms, etc. She asked if historical information is used. Mr. Pucci explained how it is weighted. He explained that it is hard to predict which of the units will become vacant. We have approximately 70-80 vacancies per year. You may go into some units and only the bedroom carpets need to be replaced and not the kitchen. There are a lot of variables. It is always standard to take the lowest responsible bid. We need to make sure they can they do the work, make sure they have the experience in performing the work, and that the bid is real. Mr. Pucci made a minor correction on the staff report recommendation. Should say "staff recommends the Housing Commission recommend to the Board of Commissioners".

Commissioner Pratt motioned that we recommend to the Board of Commissioners awarding the contract to Bay Area Contract Carpets in the annual amount of \$200,000 with an option to renew for two additional Fiscal Years not to exceed \$200,000 annually and authorize the Executive Director to execute the contract. Commissioner Lofstrom-Perez seconded.

- 3-D. Award Repaving Contract to Ransome Company, in the amount not to exceed \$198,500 and Authorize Executive Director to Execute the Contract.

Mr. Pucci stated that in the 2012 budget, Housing Commission and Board of Commissioners approved replacement of the Maple Way parking lots and the driveway at Esperanza. On July 15, 2011 the Housing Authority issued an invitation for bids. On August 2, 2011 two bids were received. One was from Ransome Company of San Leandro in the amount of \$165,500 and the other from DRYCO Construction, Inc. of Fremont in the amount of \$168,150. We are recommending the award of bid to Ransome Company.

Commissioner Smith motioned that the Housing Commission recommend to the Board of Commissioners to award the contract to Ransome Company in the amount of \$198,500 including contingencies, and authorize the Executive Director to execute the contract. Commissioner Jones seconded the motion.



- 3-E. Recommend that the Housing Authority Board of Commissioners Authorize Formation of a Limited Liability Company (LLC) and Approve the LLC's Role as an Additional General Partner in the Alameda Islander L.P. for the Acquisition and Renovation of the Islander Motel as Permanent Affordable Housing.

Mr. Pucci stated that the Housing Authority has diligently been working to procure the Islander Motel and working with the nonprofit, Resources for Community Development, to rehabilitate the Islander Motel and turn it into workforce housing of 162 units for low- and very-low income residents of Alameda. In order for this to happen our legal counsel has recommended that we form an LLC. Mr. Pucci gave an overview of what this would all entail. He explained that being an additional general partner would give us more power in the deal. Also involved in this venture would be some liability. That is why we are forming the LLC. The LLC protects us from any lawsuits that may occur and protects the Housing Authority's assets. The Housing Authority would be the only member of the LLC and would be making decisions for the LLC. LLC would be a partner with Resources for Community Development. We are proposing a recommendation to the Board of Commissioners for the LLC and to have the Housing Authority as an additional general partner in The Alameda Islander Partnership.

Commissioner Jones asked how long it would take to become a general partner and who will be our affiliates. Mr. Pucci responded that negotiations would probably still take a couple of weeks. We still need to take this item to the Board of Commissioners. The affiliate would be LLC.

Commissioner Smith asked Mr. Pucci to discuss advantages of tax credit experience. Mr. Pucci responded that the tax credits are issued by the IRS. Tax credits are issued based on the population of the State. Tax Credit Allocation Committee (TCAC) gets so much from the IRS each year and there are only a few times per year that non-profits/for profits developers can apply for those tax credits. A complete application is submitted (must serve low to very-lower income people). TCAC evaluates and awards points. There are also tie breaking points. In the future we would like to apply directly for these funds and not partner with someone else. After we gain experience we will be able to apply for our own tax credits for our own projects. Eventually we could develop our own tax credit projects and eventually eliminate the developer's fee. We are trying to eliminate the middle man. We can do all of this if we become an LLC and general partner.

Commissioner Pratt moved that the Housing Commission recommended to the Board of Commissioners to authorize formation of a LLC and approve the LLC's role as an additional general partner in the Alameda Islander L.P. Commissioner Smith seconded.

4. ORAL COMMUNICATIONS

Mr. Torrey, informed us about the schedule of the new Estuary Crossing Shuttle that is now in service.



5. COMMISSIONER COMMUNICATIONS



6. ADJOURNMENT

There being no further discussion, Chair Kurrasch adjourned the meeting at 7:31 p.m.

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Arthur A. Kurrasch, Chair

Attest:

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Michael T. Pucci  
Executive Director / Secretary

